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# Return to sender: Mapping the online economy of refund fraud

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## Glossary of terms

BIB	Bought in bulk
DNA	Did not arrive
DOX	Documents
Double dip	Claim multiple refunds from the same retailer
Dropper?	Drop shipper
EB	Empty box
FTID	Fake tracking id
IMAO	in my arrogant opinion
IMMA	Im going to
INAD	inadequate?
L	Loss
LIT	Lost in transit
LMFAO	Laughing My Freaking Ass Off
Patched	Weakness in system fixed
Peb	Partially empty box
RMA	Return Merchandise Authorisation

# Executive summary

## Introduction and context

Retail crime has traditionally focused on shoplifting, but the shift to online shopping has given rise to refund fraud – a rapidly growing yet understudied problem. Refund fraud which involves deceiving retailers to secure refunds without returning goods or to obtain goods without payment. While in-store refund fraud has been well researched, the online form remains largely neglected, despite its substantial economic impact.

Recent estimates suggest refund fraud costs the US retail industry \$103 billion annually (Deloitte, 2024). If similar rates applied to the UK, the cost could range from £317 million to £5.76 billion, with a median estimate of £2.3 billion. These figures underscore the urgency of addressing this issue.

## Key statistics

- 494,267 posts analysed across 3,000 threads/channels on cybercrime forums and Telegram.
- 23,439 unique user accounts identified, with 2,636 accounts showing substantial engagement (10+ posts).
- Estimated hidden activity suggests 60,000–90,000 individuals may be involved in organised refund fraud.
- Claimed refunds ranged from \$15 to \$200,000, with a mean of \$2,419 and a median of \$1,032.
- Amazon was the most targeted retailer, followed by Apple, Nike, and Uber Eats.
- Fraudsters are predominantly young (aged 14–30, mean age 19) and male, with many engaged in carding, identity theft, and reselling stolen goods.

*Drawn from samples of forums with persons active in countries such as USA, Canada and UK.*

## Methodology and scope

This report is based on data collected from nulled.to, cracked.io, and linked Telegram channels. A custom web crawler indexed 494,267 posts, with a filtered subset of 128,356 posts from 980 threads/channels selected for qualitative analysis. The sample included both randomly selected threads and purposefully chosen channels focused on UK refund fraud and discussions involving “insiders” (retailer employees assisting fraudsters).

## The refund fraud ecosystem

Refund fraud operates as a crime-as-a-service model, where vendors advertise their ability to secure refunds for clients in exchange for a fee (typically 13%–30% of the refunded amount). Clients provide their retailer account credentials, exposing themselves to risks such as identity theft, blacklisting, or extortion.

## Key techniques

Fraudsters employ several methods to exploit retailers:

- Did Not Arrive (DNA): Claiming undelivered packages.
- Partial/Empty Box (PEB): Alleging missing or empty orders.
- Faulty/Damaged Goods: Reporting defective items.
- Fake Tracking Identification (FTID): Manipulating shipping labels.
- Returning Different Goods: Sending counterfeit items.
- Takeaway Food Refunds: Fabricating food quality complaints.
- Wardrobing: Using and returning clothing.

## Detailed insights

### Targeted Products and Retailers

High-value items like electronics, clothing, and jewellery are frequently targeted. Amazon is the most exploited retailer, but fraudsters also targeted Apple, Nike, and Uber Eats. One vendor, Hasbulla Refunding, claimed \$786,198 in refunds, with a mean of \$1,747 and a median of \$983.50.

### Who Are the Refunders?

The demographic profile of refund fraudsters is young predominantly male. Many are students, unemployed, or have unstable employment histories. Participants often engage in reselling stolen goods, money laundering, and other fraud schemes, such as gift card scams and Covid-19 grant fraud.

### Psychological and Behavioural Insights

Discussions between vendors on forums revealed a culture of risk-taking, immaturity, and verbal abuse, with frequent references to depression, sleep deprivation, and substance use. While some fraudsters expressed anxieties about detection, others displayed a blasé attitude toward law enforcement, mistakenly believing penalties for refund fraud were minimal.

### Views on Retailers and Law Enforcement

Fraudsters generally view retailers as ineffective at detecting fraud, particularly because they see retail as underpaid and unmotivated. They also believe law enforcement is unlikely to prioritise refund fraud, as it is non-violent and primarily affects large corporations. However, high-profile arrests (e.g., the Artemis Refund Group indictment) created temporary panic in vendor networks, showing that targeted enforcement can disrupt fraud networks.

### The Role of Insiders

Insiders (retailer or courier employees) play a critical role in facilitating refund fraud by approving fraudulent refunds, manipulating tracking information, or providing intelligence on retailers' policies. While references to insiders on forums were rare, they are highly valued and often used as a marketing tool by refund vendors.

## Conclusion and Recommendations

Refund fraud is a significant and growing threat to online retailers, driven by organised crime-as-a-service vendors and opportunistic individuals. The ease of accessing fraud techniques and the perceived low risk of detection create an environment where fraudsters operate with impunity.

## Key recommendations:

### 1. Enhanced deterrence:

- Conduct targeted law enforcement operations to disrupt fraud networks.
- Publicise arrests to deter potential offenders.
- Retailers should collaborate to share intelligence and create fake vendor profiles to gather evidence.

### 2. Industry database of fraudsters:

- Establish a centralised database (similar to Cifas) to track known fraudsters.
- Use AI-driven data scraping to identify leads for investigation.

### 3. Awareness campaigns:

- Educate the public, particularly young people, about the legal and ethical consequences of refund fraud.
- Emphasise that refund fraud is not victimless – it affects retailers, employees, and consumers.

### 4. Strengthening retailer defences:

- Invest in fraud detection technologies, such as AI-driven, anomaly detection.
- Train customer service representatives to recognise fraudulent claims.
- Improve collaboration with law enforcement so that fraudsters face consequences.

Our research shows that refund fraud reflects broader societal shifts, including declining ethical standards and the anonymity of online interactions. Addressing this issue requires a multi-stakeholder approach, combining law enforcement action, retailer vigilance, and public education. Without intervention, refund fraud will continue to evolve – imposing billions in losses and eroding trust in online retail.

# Introduction

Retail crime is a significant problem, with much attention directed to shoplifting. In-store refund fraud has also secured interest as both an industry problem (British Retail Consortium, 2024; National Business Crime Centre, n.d.) and among researchers (Challinger, 1996; Harris, 2010; Škapa, 2013). However, the shift to online shopping has facilitated many more opportunities to cheat retailers of refunds and this problem has been largely neglected by researchers to date, with only a handful of studies available (Chang and Guo, 2021; John et al., 2020; Merlano et al., 2024; Zhang et al, 2022; 2023).

Evidence suggests this is a very large problem. A report based on the US economy estimated returns amounted to US\$685 billion, with fraud and abuse affecting 15.14% of this figure, amounting to US\$103 billion of potential losses (Deloitte, 2024). The next section of this report will show in the UK it could cost from £317 million to £5.76 billion, with a median calculation of £2.3 billion.

This report focuses upon online retail fraud delving into the online communities where refund fraud techniques are discussed, but also where you can pay someone to do it for you. In this economy, fraudsters need only visit an online forum and click on the advertisement of one of the many thousands of vendors who will fraudulently obtain a refund on behalf of their 'client' from the retailer for a fee. Whilst this may appear simple, we will demonstrate in this report that the vendors involved in perpetrating refund fraud employ a range of social engineering techniques, possess intricate knowledge of retailers' refund policies, and frequently adapt their practices depending on the retailer they are attempting to defraud. It is also an economy where these vendors offer their support, guidance, and services to a substantial number of 'DIY refunders', who are those that attempt to obtain refunds without eliciting the services of a vendor. This may be through the sale of purchasable 'training manuals', by operating moderated channels where DIY refunders interact with one another, and by offering to 'fix' unsuccessful refunds for a fee.

This report will begin with a brief literature review which provides a broad overview of the academic research into online consumer fraud. From there, we will then look at the methodology which will describe the data sources used in this study and how we collected data from these sources and analysed it for use in this report. Some of the many findings from this study will then be presented, before a conclusion and recommendations.

# Literature review

There is little doubt that retailers are currently facing a significant volume of economic crime. The British Retail Consortium's Annual Crime Survey (2025) describes the total cost of retail crime as being £4.2 billion in the past year. Significant attention has been given by retailers in the UK to the ongoing problem of in-person shoplifting and the £1.8 billion spent in the past year on in-store crime prevention measures. This is in an effort to curb not only the economic losses inflicted by shoplifting, but also the increasingly dangerous working environment where retail workers are described as being "punched, stabbed, spat on, while having racist, misogynistic and generally vile abuse hurled at them" (Retail Sector, 2025). The media has also focused overwhelmingly on in-store shoplifting, highlighting the significant economic losses inflicted by in-store thieves as well as the personal safety and wellbeing risks to retail workers (see for example Floris, 2025; Partridge, 2025; Lamche, 2024).

Retail crime has been the subject of extensive research for many years. There is a significant body of research dedicated to theft by customers and staff (Ekblom, 1986; Hayes, 1999; Bamfield, 2004; Gill, 2007) and the more recent advent of non-swiping at self-service checkouts (Taylor, 2026). There is research on robbery (Calder & Bauer, 1992; Faulkner et al, 2001) and violence against staff (Beck et al, 2005). There is also much research on combating retail crime (Shapland, 1995; Mishra, & Prasad, 2006). Fraud in retailers has also been explored, particularly in relation to the detection of it in online retailing at the point of sale (Gabbur et al., 2011; Kim et al., 2003). Refund fraud, however, has only been the subject of a handful of studies.

Traditional in-person refund fraud has experienced some research (Challinger, 1996), but researchers are only just starting to grapple with the online version. John et al (2020) have analysed a large data set from one online retailer to try and identify predictive traits of fraud in refunds. Zhang et al (2022; 2023) have also conducted research seeking to better predict whether a transaction is fraudulent. Consumer views on the effectiveness of different measures to combat refund fraud have been explored by Merlano et al. (2024). Chang and Guo (2021) have explored retail refund in Taiwan via a survey of consumers and found the retailer's ethical orientation and values were an important influence of levels of consumer fraud and abuse. The limited research has not explored in depth different types of refund fraud, so using the research from this paper, some existing papers and the grey literature, the following categories of online retail fraud are identified.

# Online refund fraud

The essence of online retail fraud is the use of deception in the refund process to secure the delivered goods without paying or secure a refund without returning the goods. There are multiple means by which the fraudsters do this, which will now be outlined.

## 1. Did not arrive (DNA)

The simplest method of refund fraud is to claim the package was not delivered and claim a refund or request another package is sent.

## 2. Partial/empty box (PEB)

Another simple method is to claim some of the goods in a multiple order were missing or the box was completely empty.

## 3. Faulty/damaged goods

Another method is to claim the goods arrived damaged or faulty. For some retailers that will trigger a refund, others will require them to be returned, which leads to the next method.

## 4. Fake tracking identification (FTID)

In this method, the fraudster manipulates the labels and returns packages but they are empty or filled with items that weigh the same as the original goods. The aim is to deceive the system into noting they were returned, but have somehow got lost in the system.

## 5. Return different goods

Another variation on the returns is to return fake or similar goods.

## 6. Takeaway food refunds

Food fraud refunds can be undertaken by DNA methods, but most revolve around them having been delivered but resulted in a negative experience. Common complaints include (but are not limited to) illness as a result of consumption, the food was poor quality or cold, or there were hair or fluids in food.

## 7. Wardrobing

This variation usually relates to clothes and the refunder uses the clothes and then returns them.

## The scale of online retail fraud

As we note above, a report based on the US economy estimated returns amounted to US\$685 billion, with fraud and abuse affecting 15.14% of this figure, amounting to US\$103 billion of potential losses (Deloitte, 2024). Another report from the USA came to similar conclusions based upon 7% of all online returns were fraud or abuse, leading to a total of US\$101 billion (Mastercard Identity, 2024). These estimates cover the full range of refunds, including in-person. There are no estimates on the scale in the UK, but if some of these rates were applied to UK online sales statistics the following range of estimates in table 1 would illustrate the scale of the problem, from as low as £317 million to as high as £5.76 billion with a median calculation of £2.3 billion.

Table 1. Estimated value of online retail fraud in the UK

Total value of online shopping sales in the UK in 2024 (Retail Gazette, 2025).	£127 billion
Return rates: 5%-18.1%-30% (Deloitte, 2024; Meteor Space, 2025; Shopify, 2025)	£6.35 billion to £22.9 billion £38.1 billion
Fraud rates in returns: 5% to 15.14% (Deloitte, 2024; Mastercard (2024)	£317 million to £5.76 billion
Median calculation based upon £22.9 billion of returns and 10% fraud and abuse rate	£2.3 billion

# Methods

Data collection began with the refunding-specific boards of the broader cybercrime forums nulled.to and cracked.io. These boards were chosen for their ease of access and their prominence in the refunding ecosystem. A custom-built web-crawler was used to index all accessible threads at the date of collection and then collect all accessible posts. Subsequent passes attempted to retrieve secondary resources such as images, which were typically hosted on external image-hosting sites. In some cases, for older posts, such resources were no longer available at the date of collection. The date of collection was 2024-10-22 for nulled.to and 2024-11-05 for cracked.io.

Following webforum collection, out-links from both forums were examined to identify other potential points of interest in the refunding ecosystem that could be targeted for data collection. Over 2,000 unique links were found to Telegram groups, channels and user accounts, and approximately 500 Discord invites were discovered. Both locations were targeted for further data collection, however, all Discord links present in the corpus were found to have expired. Many Telegram links were similarly expired or inaccessible for data collection (empty channels, private channels, user/bot accounts), but the content of 294 channels was successfully retrieved via exports using the Telegram API, with collection ending on 2024-12-09. Webforum and Telegram posts were then standardised into a common format for data analysis, with original captures preserved for reference.

As the complete data collection runs to 494,267 posts spread across over 3,000 threads/channels on the three platforms, a sampling process was required to facilitate manual, qualitative coding. As much of the post content is contextual, sampling was performed at the thread/channel level to preserve full conversation histories for coding, with some filters applied to prioritise informative conversations. Threads were excluded from consideration if: (1) three or fewer users were seen participating in the discussion, or (2) there were ten or fewer total messages in the discussion. In checking these conditions, conversations were reduced through the removal of extraneous duplicated messages (often bot advertisements of services in Telegram channels, or 'bump' posts in the webforms). This created a filtered subset of 980 threads/channels suitable for analysis, containing 128,356 posts. Five threads/channels from each source were then selected at random for qualitative coding. Notably, one Telegram channel included in this sample (alpharefundersca) was dominant, constituting 98% of the sample by post volume (and 20% of the filtered subset).

To capture elements not well-explored within the random sample, a purposeful selection approach was used. Threads/channels were ranked for their overall usage of terms related to two topics of interest: refunding in the United Kingdom, and references to 'insiders' – individuals located inside retailer refund processing who help criminals. One Telegram channel, hasbullasrefundingchat, was indexed in the top five threads/channels for both topics, and as it also presented a substantial corpus (over 14,000 posts, a further 11% of the filtered subset) it was selected for further analysis.

All extracts were placed into an Excel sheet and a process of inductive coding was conducted. Reading through the posts, codes were created and after periods of reflection these were rationalised to reduce duplication as the coding process was undertaken. Some of the primary codes identified unfolded numerous sub-codes. For example, 'Techniques' was a primary code (linked to words describing some means of undertaking refund fraud), which then linked to other secondary codes of more specific techniques such as DNA, labels, empty box, multiple accounts to name some. It was also very clear in the early analysis that there was evidence of the amounts claimed in frauds and a column of success values added. Many of these quotes from posts will be presented in this report verbatim and it is important to note many involve slang, offensive language and spelling mistakes.

1. Both Nulled and Cracked were taken down in February 2025 as a result of law enforcement efforts. Cracked was subsequently brought online again in April 2025.

# Evidence on the extent of refund fraud

## Sites

The refunding boards on nulled.to and cracked.io are of comparable size, with nulled.to being slightly larger (72,000 vs 52,000 posts). Posts from nulled.to date back to 2017, whereas cracked.io's refunding board first shows signs of activity in 2020. The most active year by thread creation frequency in both webforums is 2023. Contrastingly, the Telegram corpus is much larger as measured by post volume (over 370,000 posts), though some differences can be attributed to the shorter and more immediately conversational posting style observed within Telegram channels. The majority of Telegram posts observed in our collection date from 2024, the year of collection.

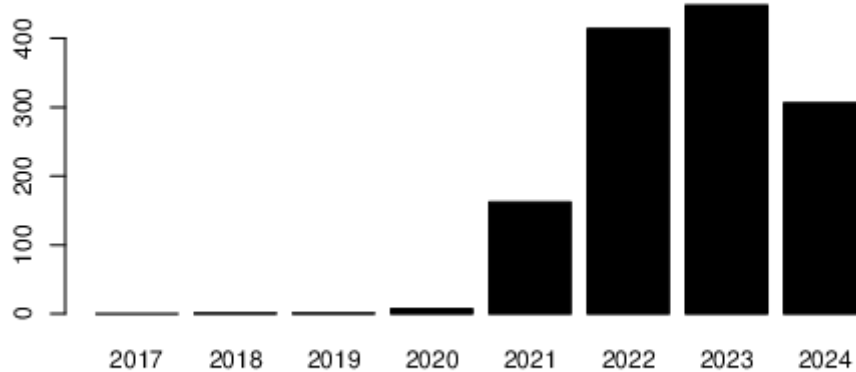


Figure 1. Threads created each year on cracked.io's refunding board

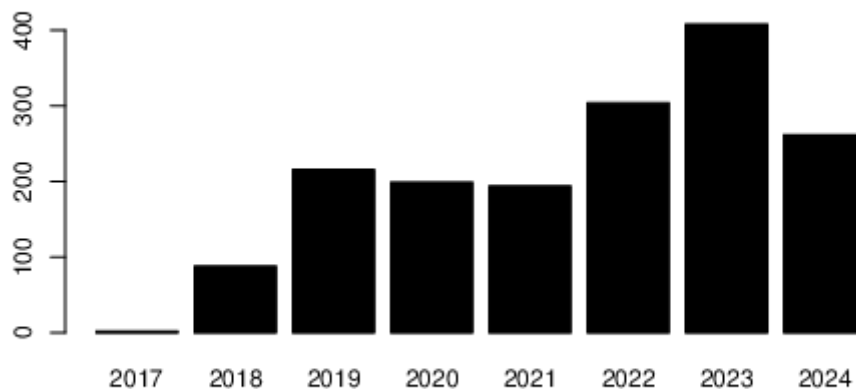


Figure 2. Threads created each year on nulled.to

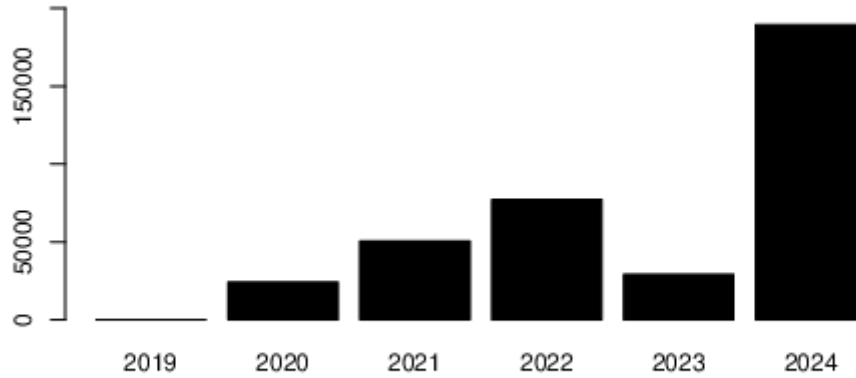


Figure 3. Telegram posts per year.

A total of 23,439 unique user accounts were observed engaging in the refunding boards and channels covered in this study. This figure reduces to 2,636 user accounts that show any substantial engagement (10 or more posts). Table 2 below breaks down the account figures by data source. However, these figures are likely a significant underestimate of the true population of offenders engaged in the organised refund fraud economy, which could be 2.7-4.2x greater (approximately 60,000-90,000 individuals) in terms of hidden activity (Gibbon et al, 2024), with potentially many more refunder service customers contacting the vendor directly, leaving no review or 'vouch' for the service and leaving no recorded trace of their activity.

Table 2: Total user accounts observed to be involved in refund activity

	Accounts (all)	Accounts (10+ posts)
Telegram	7919	1290
cracked.io	5126	569
nulled.to	10394	777

This report will now delve into the findings from exploring the online forums, beginning with the 'crime-as-a-service' refund vendors and then moving on to explore the DIY online fraudsters.

# Refund vendors: An overview

In its broadest sense, refund-as-a-service vendors advertise their services on underground data trading forums such as Cracked and Nulled. Advertisements are made on forum threads and within these threads the refund vendor typically markets their services using eye-catching images that may involve misappropriated intellectual property (e.g., Mr Krabs' refund store shown in picture 1) or their own branding. The images below show real examples of the refund vendor adverts that one might expect to see on the forums where these services are advertised.

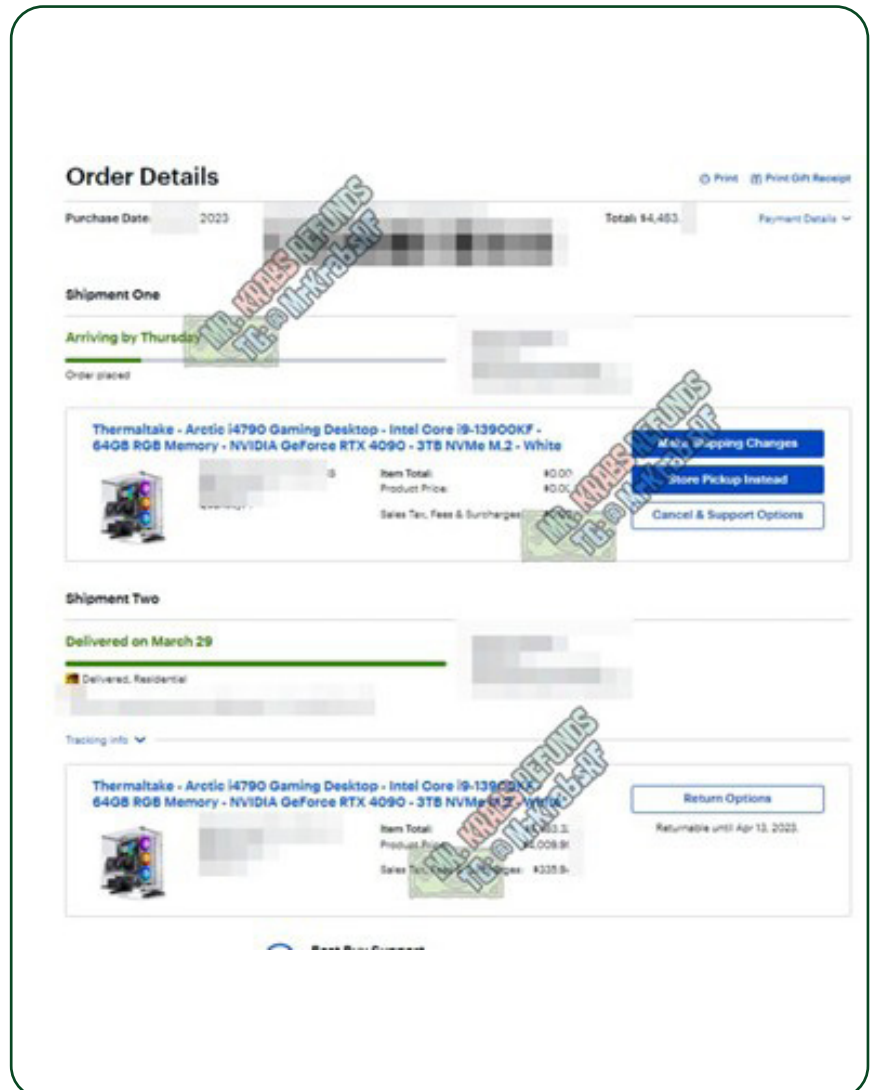
Picture 1.



Picture 2.



Picture 3.

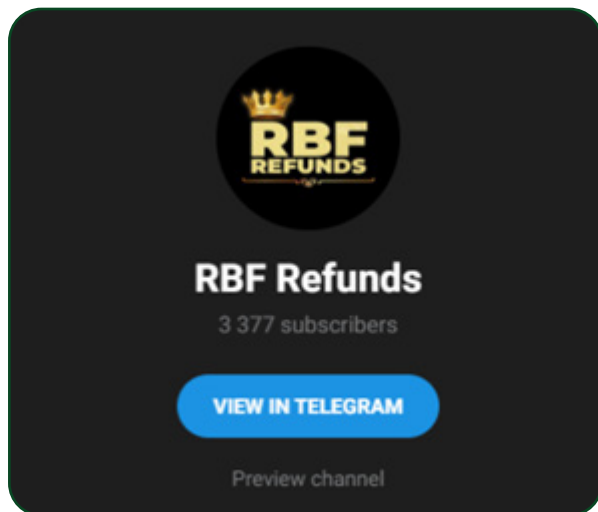


It is also common to see examples of successful refunds provided by vendors as a means of demonstrating their legitimacy, such as the example shown in picture 3. In addition, 'vouches' are often provided by forum users as a means of vouching that the advertiser is legitimate and that the vendor has demonstrated good customer service, having successfully obtained a refund for them in the past.

Additionally, because of the sheer quantity of refund vendors operating on these forums, the vendors sometimes create a post on the thread and comment 'bump' as a means of moving their advert to the front of the list of threads.

Usually, the adverts (such as the ones depicted in pictures 1 and 2) are clickable images and if the link is clicked the forum user will be redirected to a communications channel to interact with the vendor. The most common of which are links leading to Telegram channels (see example shown in picture 4) and Discord groups. In these groups, vendors interact with prospective clients to discuss the terms of the service. Whilst these negotiations are often done privately, a small number of vendors (n=28) publicly advertised the breakdown of their fees on either a google sheets document or on their own website.

Picture 4.



Using the examples of these menus, we are able to see that there are notable differences between the vendors in terms of the 'cut' taken from each refund, the value and order limit, and the timing of the refund. In table 3 below, we show how 14 refund vendors offering Amazon UK refunds differ in their service offerings to prospective customers. These factors are likely influenced by the competency of vendors with lower cuts likely offered by less competent vendors seeking to build market share, given that the vendor's client assumes the risk of negative consequences if they fail.

Table 3. Refund service rates

Refunder	Store	Cut	Item limit	Value limit	Country	Timing
Mr Krabs	Amazon (UK)	18%	2-3	2,000 USD	UK	1-20 days
Carza	Amazon (UK)	30%	2-3	5,000 GBP	UK	5-6 weeks
Candgirl69RF	Amazon (UK)	15%	5	15,000 GBP	UK	2-4 weeks
Mudane	Amazon (UK)	15-20%	5	5,000 GBP	UK	3-21 days
Ring	Amazon (UK)	20%	5-7	10,000 GBP	UK	1-4 weeks
Apportmanage	Amazon (UK)	25%	Not stipulated	10,000 GBP	UK	1-3 days
Ali	Amazon (UK)	30%	Not stipulated	4,000 USD	UK	1-4 weeks
Refund Empire	Amazon (UK)	30%	5	5,000 USD	UK	2-3 weeks
Zeus	Amazon (UK)	15%	1-5	2,000 GBP	UK	2-3 weeks
ZOXX	Amazon (UK)	25%	5	2,500 USD	UK	2-3 weeks
Sofafunds	Amazon (UK)	20%	4	3,000 GBP	UK	2-3 weeks
GGN Refunding	Amazon (UK)	13%	5	6,000 GBP	UK	instant
Jideau	Amazon (UK)	25%	6	3,500 USD	UK	2-3 weeks
Depert	Amazon (UK)	25%	4	10,000 GBP	UK	1-30 days

One of the notable aspects of these transactions between vendor and client is the high level of risk for both parties involved. For the vendor, the risk is quite simply that their client may utilise their services and not pay after having successfully received the refund. This is not unheard of in the context of underground markets given that cybercrime scholars have identified that these forums often suffer endemically with the problem of 'rippers', users who purchase a service or product and do not pay for it (Motoyama et al., 2011; Yip et al., 2013; Kigerl, 2022).

For the vendor's client, the risk here is that they have to hand over their in-store username and password which, in turn, gives the vendor access to personally identifiable information and also their shipping address (often residential) – given that as part of the sales process with the retailer they need to have provided an address for the purpose of delivery. In addition, clients face a secondary risk from poor-quality vendors who might fail at their task and, in turn, get their clients blacklisted from the retailer. As a means of mitigating against this risk, the 'vouching' process on forums is useful here to prospective clients of the vendors.

In an effort to mitigate against 'rippers', vendors have developed their own terms of service which usually involves raising the 'cut' if payment has not been made promptly after the refund has been successfully made to the client's bank account. If the client continues to ignore the vendor, other more radical tactics may be employed. For example, 'Mr Krabs. Refund Store' states that as part of its terms of service they may cancel the refund, contact the store to file a police report against the client, and reveal the client's sensitive personal information publicly (known as 'doxxing').

*“if the service fee isn't paid 24 hours after refund confirmation, it is going to increase by 10%, if the fee has not been paid 36 hours after refund confirmation, we will get the store to cancel the refund and rebill you. Moreover, we will get the store to file a PR (Police Report) against you, and a public dox of your information will be released.”*

# Developing the most effective techniques of refund fraud

The internet and social media have been great resources for people wanting to learn how to do things. Performing a guitar solo, fixing a boiler and using makeup are just a fraction of the skills that people regularly attempt to teach themselves online. These same tools, however, have provided means to share knowledge on how to do bad things too and refund fraud has spawned a significant community sharing knowledge and offering services to engage in this behaviour. This section will illustrate how knowledge is shared to enable the most effective refund frauds to be pursued.

## Forums for developing techniques

Nullified, Cracked, Telegram, and Discord also provide opportunities for those interested in refund fraud to refine their techniques to maximise their chance of success. This occurs through a number of stages. First, members will table a query, others will then respond and in doing so illustrate techniques for conducting fraud. The discussions also involve the sharing of intelligence on the procedures and actions of the online retailers and to a lesser extent law enforcement. Some of these discussions will now be illustrated.

## Queries

Many queries start with a specific online retailer and ask for advice on either the ease of refunds and/or their limits. The following extracts illustrate some of the queries specific to a range of retailers.

---

*Which Zalando domain is the hottest for partial refunds?*

---

*Would you be able to do a 1.4k from Saint Laurent?*

---

*Sephora 1.1k DNA good for fresh acc?*

---

*Hey, quick question, so I know for old amazon accounts supodoavly 2k is good with only prime but what about new accounts?*

---

*Hey, just trying to update a list of ca shops I'm considering in the future, do you guys know limits for Ralph Lauren, gap/old navy, Michael Kors, Victoria secret and Hollister? And are dna okay? Talked to some friends and thinking of helping them with dna since they're not very confident speaking wise to people*

---

*How many refs do u think I can get on one amazon account*

---

*Can you do Nike twice*

---

*Should I do empty box method with Amazon? Order a few items and say one was not in box? Have a 9 year account no refunds. Wondering if it would be easy*

---

*So if I do a 50 or 60 dollar Wendy's order it would work?*

---

*How aged should my amazon account be for a 200 cad refund?*

---

*Any tips for setting up a new wayfair account? Used a VPN and different browser but orders still going straight to hold*

---

*Can I ftid \$1500 Gucci?*

---

*Does DNA work for Nordstrom or only FTID?*

---

*Does anyone bypassed wayfair orders from getting cancelled and receiving this kind of messages. I created a new a new account and got it aged for 2 months. Added a different email, different address, different payment card. But still got the same. Any thoughts please*

**There were lots of queries on specific aspects of the refund process too. DNA is the most basic of techniques and secured a variety of interest.**

*can I DNA 1600\$ item on amazon.ca*

---

*I have amazon prime for few mknthrs ordered tablet from Amazon. My door was not locked but they dropped it inside, I think they opened my door and took a picture, can I still claim dna?*

---

**FTID requires more sophistication than DNA and there were many queries related to this:**

*if apple asks for the tracking id after you ftid does this mean fail*

---

*Guys do u think i could do moose knuckles twice in a month ftid or is that too much*

---

*What font do you use to change the address on ftid 3? For post canada?*

---

*What're the chances of getting in legal trouble for doing FTID*

---

*Any idea why costco on scan did not work for 1 item \$1481? FTID has been delivered for 6 days already*

---

*does amazon investigate after u inquire about FTID return?*

---

*Lmk rq I emailed them back saying oh I looked in the wrong box, I actually got my shit but it's too big so I'll be returning it. Do I just take out my address, and personal info from the label and how I do that? Like put a block of text over it or what? First FTID lol*

---

**Linked to the return of items is the need to have packages of the same weight when returned and some asked about this:**

*thats what i was thinking, does the weight have to match? or can i fully replace that on the label*

---

*Need to weight match 5lbs what's should I use?*

---

**Many queries relate to trying to understand what the retailers might do to detect their activities:**

*So minimum 4 orders for Amazon account to work? What's limit, anyone know?*

---

*Does amazon links acc?*

---

*Is investigation for ftid Amazon normal? High amount 3k*

---

**Other queries just sought basic information about the process:**

*how long should I wait after getting the food*

---

*"Hi guys, can you please tell me which banks use for cards in the U.S.? Very important to know, I want to start but don't know which bank would be the best"*

---

**To some more exotic queries:**

*Can you even return sex toys?*

---

## **Techniques**

The answers to queries and other discussions revealed a great detail of information on the techniques which can be used to conduct refund fraud. Each of the key areas of techniques will now be noted, but details of guidance from online forums has been redacted from this version of the report.

## **Accounts**

There was extensive guidance on how to use different accounts for refunding.

## **Representatives**

Often refunds require communication either through chat or verbally with representatives of the online retailers. There was lots of advice on how to maximise this interaction with them.

## **Excuses**

Contacting reps requires good excuses to justify a refund and there was a wealth of advice on this, particularly related to food orders.

## **Payments**

The use of payments methods for refunding is also important with much focus on prepaid cards.

## **Labels and Tracking**

FTID is one of the key techniques of refunding fraud. The essence of this approach is to give the impression goods have been returned securing positives on the return system but with the aim the packages become lost. Central to this is manipulating labels to increase the chances that the package never returns to the supplier. From the retailer's perspective the customer has returned the goods, but have been lost in transit. Extensive guidance was provided on this in the forums.

## **Weight**

Some packages are weighed which means a return needs to weigh the same. Guidance on this was provided.

## **Locations**

A delivery address is also important, which doesn't lead to the fraudsters address but which can be utilised. Advice on how to do this was provided.

## **Sharing intelligence on specific retailers procedures**

Another important aspect of the discussions is sharing intelligence on retailers procedures and responses. Such information can then be used to tailor their attack or divert to another retailer.

# Guides

As has already been set in the discussion above and in the appendices, there is some very detailed advice offered on the forums. Some of these forums referred to guides and one in-particular, [name and URL redacted]. This is a very professionally produced and detailed guide that explains every step of the refunding process covering an introduction and justification to it, the different methods that can be used and detailed information on some retailers' (such as Amazon), procedures and the likely investigations that might take place. Such is the detail there is a step-by-step process with photographs to illustrate the process for amending labels.

## The UK and refunding

The sample of posts extracted were dominated by users from the USA and Canada. There were, however, numerous references to the UK in these forums indicating a UK presence. In this section, we illustrate some of the findings very specific to the UK. First, there were many queries just asking about specific stores and whether refunding was possible in the UK.

---

*What's the score with Wayfair for UK? Item restrictions? Delivery etc? Am after about a Â£1000 worth it's a few items, ie drawers, bed etc*

---

*can you do nike uk?*

---

*which uk stores u do*

---

*So you provide instant dhl/ups method in UK?*

---

*Can you do reships on apple uk ?*

---

*Can u do Nike UK*

---

*Can u do shein uk*

---

*Im discovering so many UK stores now đŸ~€*

---

*Any uk tech sites can be done?*

---

*Think Samsung UK is possible?*

---

*Puma UK should be doable right. If lâ€™™m buying football boots*

---

*Zalando UK possible?*

---

*Do you do Flannels (UK)? Would be paying by PayPal*

---

*Selfridges uk?*

---

*Logitech uk doable?*

---

*Dior in uk can be done?*

---

*UK ralph lauren still good?*

---

*Boots uk is good to hit?*

---

*suggest store for UK wanna but phones, must be instant and sureshot*

**Second, some had specific queries related to the mechanics of refunding related to UK stores.**

---

*should i get next day delivery? or standard? for boots uk?*

---

*can i order boots UK to click and collect instore?*

---

*Guest checkout for apple uk is fine right?*

---

*For Boots UK refund do you need an aged account??*

---

*lâ€™™m about to order the item from Apple UK but thereâ€™™s no express delivery option it says itâ€™™ll come Thursday, is that okay??*

---

*is uk adidas limits correct, no limit no item limit and refund certified*

Third, there were some other queries related to the UK which were directed at specific products and the best possible stores in the UK to target.

*Does anyone know where I can order a MacBook for the UK*

*Yeah but what I'm curious of, is let's say I order an iPhone from Amazon USA, to the uk. Would they ship it from the uk amazon warehouse if it's in stock there or would they ship it from the USA, if that makes sense*

*@HasbuLLaRF how to order iPhone 14 from uk*

*what uk clothing store can be done*

*Can I refund a iPhone 14 pro via apple? What's the best and fastest site UK*

*What is the easiest food refund in the uk is it Uber eats?*

*what fashion stores works in the UK? just saw asos is on hold @HasbuLLaRF*

The refunding services were also the subject of queries about whether their services extended to the UK and some also clearly advertising that they do offer services for the UK.

*We offer US/CA/UK*

*We currently only offer US/CA/UK. My apologies*

*I'm not asking how, but did he still do that for UK. It's still on the list. He didn't answering for dm's due to health issue, so I just do everything like on the instruction*

*Hasbulla have u done Nike UK recently*

*I@HasbuLLaRF any new stores uk?*

*we need some sexy uk stores ill even kiss you*

*Gonna test new in transits for Amazon fr/uk/de if anyone wants to try its 100 fee non refundable and 15% after refund confirmation*

## Summary

This section has illustrated how the large number of users of these forums help to facilitate the evolution in developing the most effective techniques targeting the weakest retailers. The process can be seen to begin with queries on what to do, what the procedures are etc. These are often answered or others simply share techniques. In addition, intelligence is shared on the latest developments, changes in procedures and opportunities.

Discussions illustrating weakness encourage the targeting of that retailer and strength discourage it. The large number of users and posts mean that skilled refunders can learn very quickly by following the discussions and, if targeting a specific retailer with a particular technique, can either search previous discussions or pose a query.

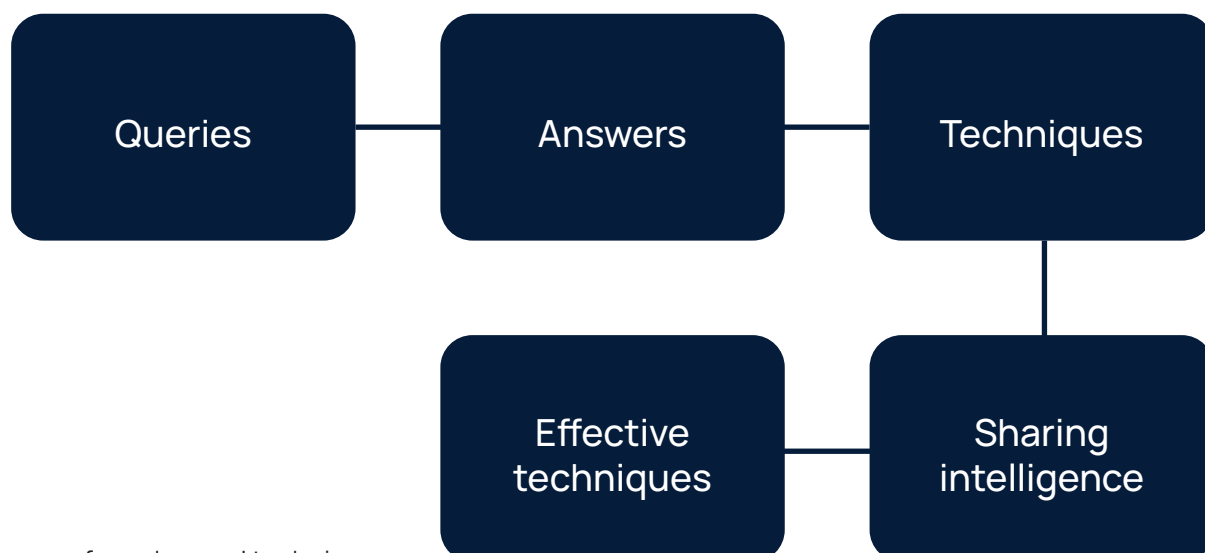


Figure 4. The process for enhanced techniques

# Common types of refunds

This section will consider the products that are refunded, the values and the companies which are targeted. The data is drawn from the sample of posts analysed.

## Products

Virtually everything that is sold online is also refunded fraudulently. Not all users would mention the products secured in posts, but the retailers often gave away what they were likely to be. Some posts did mention products and some of the main categories are listed below:

- Takeaway food
- Consumer electronic devices such as laptops, mobile phones, televisions, airpods etc
- Games consoles
- Clothes and shoes
- Toys
- Furniture
- Jewellery

There were even some references to sex toys and dildos. Some goods were orientated to those that can be easily resold such as laptops, mobile phones etc.

## Amounts

Refunders selling the service and DIY refunders regularly boast of achievements and often link the success to a specific company. The first set relates to vouches from persons endorsing a refunder who sells their services. There is therefore an interest in a refunder fabricating vouches to impress potential clients. The second type there is no such interest, but there is clearly a marketplace driven to impress by the size of refunds.. Indeed, there were examples where doubts over a boast was made and the poster was goaded to provide evidence of their success.

Some of the following threads illustrate:

*Where the screenshot*

---

*Lol, if you did 8k refund, prove it here*

---

*To summarize the last 30 mins of banter....@hollaguish can't post proof of a single eb PayPal claim even though I offered him \$500 to post it*

---

*Do you not comprehend how easy it is to post a screenshot? Clearly the fuck not*

---

So, the data on successes must be taken with caution, after all these are fraudsters too. Nevertheless, earlier the substantial size of refund fraud was illustrated. Clearly some fraudsters are successful. Therefore, this data does provide some evidence – albeit weak, of the scale of this problem and average losses.

Below the range of losses, the median and mean are presented. It is also important to note because the forums assessed involved a mixture of UK, USA and Canadian meaning that it was not always possible to determine the actual currency. We have assumed US\$ unless otherwise stated and all losses have been converted and calculated into US\$. Table 4 shows they ranged from \$15 to \$200,000, the mean was \$2,419, median \$1,032 and in this sample of threads they amounted to \$1,582,058 of claims. The \$200,000 was an outlier and related to the following post:

*bro I know dudes who've pulled 200k in a month*

---

Table 4. Claimed successes of refund fraudsters from two samples

Category	Value US(\$)
Lowest	\$15
Highest	\$200,000
Mean	\$2,419
Median	\$1,032
Total value of refunds claimed in samples N=654	\$1,582,058

The second sample analysed was dominated by one refunder service called “hasbullasrefundingchat”. Their claims (most of which provide evidence through posting a redacted receipt/statement) were also analysed. In the one sample they boasted of \$786,198 of refunds with a mean of \$1,747 and median of \$983.50.

## Companies

A wide range of companies were identified in the forums. Where successes were claimed, those companies have been listed in the word cloud below. Not surprisingly, Amazon was the most common company listed. The word cloud below relates to references to companies largely related to successful refunds.



Figure 5. Word cloud of companies where successful refunds claimed

# Who are the refunders and what are they like?

These forums by their very nature are secretive. The discussions, however, do reveal some details on who they are, which can be supplemented by other data. The discussions also reveal other information about them such as their involvement in other offending, their likes and dislikes and their problems.

## Demographics

In the course of discussions, some revealed personal information about themselves. A total of 19 revealed their age and as Table 5 illustrates they ranged from 14-30, with a mean of 19 and median of 18. This suggests a young profile, although as expressed already, caveats must be noted as they might not be telling the truth and many users do not reveal their age.

Category	Age
Lowest age	14
Highest age	30
Mean	19
Median	18

There have not been a huge number of law enforcement actions in this area, but those in the public domain have also generally been young males, although slightly older than the profile from this sample. This might reflect these are more organised fraudsters involved in crime-as-a-service as these cases involved large sums of money. It is also worth noting the researchers could find no UK examples of enforcement action against refunders, other than a few actions against corrupt couriers.

Example	Link
28-year-old Christopher Lim, indicted in Canada	<a href="https://globalnews.ca/news/7652457/online-shopping-fraud-toronto/">(https://globalnews.ca/news/7652457/online-shopping-fraud-toronto/)</a>
31 year old Hudson Hamrick, pleaded guilty in USA	<a href="https://www.justice.gov/usao-wdnc/pr/charlotte-man-pleads-guilty-wire-fraud-return-scheme-targeting-amazon#:~:text=CHARLOTTE%2C%20N.C.%20%E2%80%93%20Hudson%20Hamrick%2C,Western%20District%20of%20North%20Carolina)"> (https://www.justice.gov/usao-wdnc/pr/charlotte-man-pleads-guilty-wire-fraud-return-scheme-targeting-amazon#:~:text=CHARLOTTE%2C%20N.C.%20%E2%80%93%20Hudson%20Hamrick%2C,Western%20District%20of%20North%20Carolina)</a>
Artemis Refund Group indictment: Wyatt Douglas Miller, 24, San Marcos, CA; Kevin Ramses Rocha, 24, Littlerock, CA; Tyler Dewayne Rogers, 24, Goleta, CA; Jonah Maxwell Fesman, 23, Altadena, CA; Antonio Ernesto Munoz, 24, Palmdale, CA; Juan Manuel Camacho-Zarate, 25, Santa Maria, CA; Cameron David Martin, 23, Winter Garden, FL; Ilyess Hadri Talbi, 20, Columbus, OH; Steven Lin, 27, Philadelphia, PA; Gilbert Immanuel, 25, Lutz, FL	<a href="https://www.justice.gov/usao-ndok/pr/ten-members-international-cyber-fraud-ring-indicted-refund-fraud-scheme-targeting#:~:text=Wyatt%20Douglas%20Miller%2C%2024%2C%20San,%3B%20Ilyess%20Hadri%20Talbi%2C%2020%2C">https://www.justice.gov/usao-ndok/pr/ten-members-international-cyber-fraud-ring-indicted-refund-fraud-scheme-targeting#:~:text=Wyatt%20Douglas%20Miller%2C%2024%2C%20San,%3B%20Ilyess%20Hadri%20Talbi%2C%2020%2C</a>
Leonardo Vidal, 29	<a href="https://www.justice.gov/usao-wdwa/pr/second-defendant-charged-fraudulent-refund-scheme-targeting-online-retailers">https://www.justice.gov/usao-wdwa/pr/second-defendant-charged-fraudulent-refund-scheme-targeting-online-retailers</a>
Christian Wink, 27	<a href="https://www.justice.gov/usao-wdwi/pr/la-valle-resident-sentenced-5-years-probation-amazon-fraudulent-return-scheme">https://www.justice.gov/usao-wdwi/pr/la-valle-resident-sentenced-5-years-probation-amazon-fraudulent-return-scheme</a>

Other information was also revealed by some to illustrate their profile. Some revealed having spent time in prison:

*i was in jail for a year, got covid release, then my city is lockdown*

---

*4 years did 2 and half years in the solitary though because I dont like dealing with bs*

---

Several were at school, college or university:

*Im a student deposing thousand of \$ each 2 weeks is not GOUDE*

---

*I'm in grade 12 fam*

---

Several were at school, college or university:

*i'm 18 i just fucked up in school for a year*

---

*I barely passed highschool*

---

Others noted a poor employment record:

*i got fired from 6 jobs in the last year*

---

*I worked two jobs for 2 years*

---

*I've never worked a traditional job n don't plan on it tbh so don't really see a need for higher education*

---

One admitted to being a security guard:

*It could help me I'm a security guard I travel all over gta for work So u see Everyday new address*

---

## Links to other offending and deviant behaviours

It is not surprising to find in an online community dedicated to one form of offending that there are discussions, opportunities and revelations of involvement in other types of offending. Some other offending was directly related to refunding such as the sales of the goods secured and money laundering.

---

*Or u can have someone take it to the casino, buy chips, play a little to pretend and then cash out*

---

*32k is not a big amount to clean*

---

*No need to launder that small amount bro u can deposit it slowly every week*

---

*We are hiring new droppers for Italy, Denmark, Sweden, and Canada. If you're interested, please send a direct message to @FtidBZsupport with a list of couriers and methods you can handle. Only contact us if you can provide vouches.*

---

### Reselling:

---

*ive sold 3 hair dryers n 2 of the air dildos*

---

### Others noted carding:

---

*Carding is shit now those bins are hard to find also . Refunding is way more profitable nowadays*

---

*ive been doing carding and refunding since 13 lol*

---

*All my carding homies get pluggd up from the frenchies*

---

*I was getting into carding but the South Sudan dark mofos creeped me out*

---

*facts I used to use stolen ccs and shit like that where ive been scammed bare times but with this it has no middle man and you could resell your products for a profit*

---

*I did carding at my own address without any issues for years imagine with refunding*

---

*Cardings pre cap now but pros b hitting styl*

---

*Brodie's carding*

---

*Carding to same address won't end well*

---

### There were lots of posts related to giftcards:

---

*If anyone is in ontario and wants to buy a \$1400 canada goose giftcard let me know and if anyone is canadian and does refunds lmk got a good deal*

---

*2x \$200USD Uber/UberEats codes. 50%.*

---

*Anyone need uber eats giftcard ?*

---

*another £50 amazon giftcard message @rossthebossov too purchase*

---

*anyone needing uber eats giftcards message me @rossthebossov*

---

### There were advertisements for illegal drugs and references to their use:

---

*Only reason you should be strapped in CA is if ur pushing snow n fenty*

---

*Name brand grams of live resin go for \$25 like whaaaaa*

---

*Magic mushrooms, special k were my jam back thrnc*

---

These posts were during Covid and there were mentions of grant-related frauds, as well as others:

*Mans are doing this grant scam like you are going to jail if you get caught they putting they own cards on there and everything*

---

*Its in canada for small bussiness you steal the bussiness identiy and get the money to your own card lmao your gonna get locked up if you do it tho*

---

*Ppp loans made 20k in a few days lmao*

---

*Let me know if anyone here in Quebec/Ontario needs COVID passport.*

---

*anyone selling Canada driver license and sin*

---

The use of an escort is not illegal (in most jurisdictions), but does suggest a risk-taking behaviour and there were some references to this:

*If your macking on escorts your a jon*

---

*200 is not worth my 4 minutes*

---

*Thats what started my downhill spirial of fucking escorts*

---

## One user posed the question of them becoming the ultimate type of fraudster:

*Imagine we evolve into fully decorated fraudsters carding, scripting and everything*

---

### Trading and gambling (shares, crypto)

Some of the discussion illustrated interests in trading shares, cryptocurrencies and gambling, demonstrating risk-taking behaviour:

*Lost a solid third of the profits too sports bets n blackjack*

---

*tsla call 1000\$ option 100 000k*

---

*1k in coca cola*

---

*I sold 50 shares on Friday at the \$57 dip*

---

*N i g g a why did I sell at \$57*

---

*GameStop is up \$220 lol*

---

*I just bought 50 shares in nokia and I feel like I'm slowly becoming autistic*

---

*im just tryna run up as much shit thats profitable and put some in stocks*

---

## Banter

There was a huge amount of banter in the threads which was not related to refunding fraud. Much of it was immature and focused on sex:

*Like having sex with an oversized kiwi*

---

*i also jerked off 30 mins ago with the assistance of my refunded iphone 11p*

---

*I love penis*

---

*Feel like I got 7"*

---

*Me n aladeen legit just had phone sex*

---

*I sucked dick today*

---

## Some of the discussions highlighted problems users were having such as depression, sleeping problems etc:

*I've been up since 1am it's now 4am*

---

*Yeah who tf sleeps at 4:44*

---

*Been up for a long while as well*

---

*i'd drop my ig but i deactivated it cus depressed*

---

*When u depressed everything's boring*

---

*Still depressed*

---

As the forums are dedicated to shopping, it is no surprise to find banter relating to shopping news:

---

*Nike droppin dunk pros on Jan 30*

---

*What's the best android phone to get right now that's not Samsung*

---

*German cars > american cars all day*

---

Or their particular likes in food and sport:

---

*I haven't had KFC for like 15 years*

---

*GLASGOW RANGERS CHAMPIONS*

---

*Ur a Liverpool fan stfu*

---

*Arsenal is shit*

---

*How tf is Spurs ahead of y'all*

---

There was also much verbal abuse among members of the community:

---

*Not trynna be gay but do ur balls have hair yet or naw*

---

*Go suck chiraggs dick some more and beg him to do your failed labels goofy*

---

*Whats sad is if you have a 3 inch asian dick man*

---

*Bro you never got pussy in your life*

---

*the only sexual action ull ever get Pornhub.com/cuckold*

---

*Boys this Alex guy offers to suck dick in DMs please ignore*

---

*You statistcally have the smallest dick*

---

The banter did also illustrate some of the codes some, at least in the forums, adhered to. One of these was to avoid targeting smaller retailers:

---

*Stop hitting little restaurants*

---

*While they're trying to legit survive and provide for their fams*

---

*Don't fuck with small seller come on*

---

*Kids here arguing about refunding doordash killing the mom and pop restaurants*

---

# Anxieties

Some of the refunders were also worried about the potential for being identified:

*Can't buy anything without exposing yourself. Period.. Ip address. Mac address. Ip address. Device id. Geolocation. Bank transfers. Billing addresses. I know you want to feel a sense of security and Safety. There's not. You're either trusting the method and believing it's fine. Or you're not. Nobody can make you feel safe. Maybe refund something small to get the hang of it. Like a candy bar or something. đŸ ...*

---

*Anyone know if fbi can track telegram chats ?*

---

*honestly im scared of amazon, everytime i tried ftid i failed so fuck that shit*

---

*Guys, got job offer from Amazon. Will they know if I scammed them with refunds?*

---

**Some were less worried about themselves than those who work for the retailers or couriers who might face the consequences of the refunders' actions.**

*does this impact the driver in any way or is it harm free.*

---

## Risky behaviours: revealing personal information

One of the interesting findings from this research is that many users are lax when it comes to protecting their identity. Many post receipts which, if not linking directly to the refunder, could be used to narrow down the potential search for who the person is. Others would provide information on details of their order, their workplace, status, residence and even their name or part of/nickname etc, which again linked together by skilled investigators could potentially identify them. The example below illustrates what user "Postpone Blackbone" revealed, which he received a message from Amazon Canada around the 28-12-2020.

*"Oh boy they emailed me this -*

*We are writing to let you know that we received empty box instead of the original item, xxxxxxxx.*

*We are discarding the incorrect item that you sent. We will be happy to accept the return of the correct item at your earliest convenience.*

*We cannot issue a refund for this order until we receive the correct item. Please return it to us if you want to receive the refund."*

---

**Other posts before this email include:**

*"hey guys my amazon ftid was delivered on dec 11 and dec 13 its been 2 weeks already - should i wait a day extra to pass the 2 week mark or on the day is fine?"*

---

*Cool. Basically saying i sent my items it was delivered but still haven't gotten my refund"*

---

*"I've successfully escalate to our manager They will get back with refund with in 3-5 business days. You'll received refund with in 3 days."*

---

Amazon Canada if they so desired could identify all persons sent that email around those dates, then cross-check deliveries and progress of the case. It would seem highly likely they would, if they dedicated the resources, be able to identify a shortlist or perhaps even a single person of who this refunder is likely to be. There would also appear to be opportunities to use AI to scrape data in this area to generate leads for investigation.

## Dilemmas, trust and scams

Fraudulent refunding poses many dilemmas, issues of trust and risk of being scammed or caught for those who become involved. First, for those who want to use a service provider, they have to handover their accounts to the provider. That provider could be a scammer or a refunder looking to defraud his clients. So, for the aspiring client of the refunder service there is a dilemma as they have to trust a stranger with their personal information and risk not only losing money but also being exposed to the retailer or law enforcement as a fraudster. The illicit nature of the activities also introduces the risk of extortion. So, the user of these services is faced with this tricky dilemma, and this is where vouches come into the forum which effectively provide a set of references for the user enabling them to make a decision whether to use.

---

*Vouch for OP, just accomplished a \$65 refund for me!*

---

*Vouch for Edward; he has done 6+ refunds for me on Doordash. I am glad that I am still able to tip the driver and they receive the money with this method!*

---

*Huge vouch to Ducky.. have done multiple deals and never let me down*

---

*Vouch for @TheRealDucky. Has made a sizeable refund for me in Amazon before, and is on the process to refund me a 5000 dollar deal! Huge vouch, this man is a legend*

---

*Huge vouch for my boy Richie!! Been using so many refunders over the years but man working with Richie is in another league. 11/10 communication, customer service, response times, service. Overall I would say the best refunder I ever worked with and Extremely competitive rates. Him and his team are always honest, super accommodating and very very organized, man I can't vouch enough for him. Would highly suggest his service, he's revolutionizing the refund game.*

---

*Vouch for Hasbulla! Sent him my Amazon order a little bit ago today and he already worked on it and has it pretty much done, just waiting for the \$ to get issued back. Dope guy. Ty again gang!*

---

*BIG VOUCH, while I messed up an amazon.com order with RTS. Hasbulla managed to get me a refund even tho the status of shipping said "out for delivery". Dude saved my day and my money in less than 20 minutes! Fast and correct worked, can only recommend!*

---

**Further, the forums also often publicise those who are scammers. Some of these extracts below illustrate the vouches and exposures**

---

*SCAM ALERT This user has been dm'ing people posing as affiliation to Night.CX, he is not a staff member and is likely an alt of a scammer. BEWARE. All night.cx staff have owls.*

---

*Another day, another exit scam. Stop using those untrustworthy refunders and switch to ftid.bz*

---

*I've tried it and been scammed to many times lmao I ain't taking another L lmao*

---

*Dense is a confirmed exit scammer; as reported by countless people, he's blocking everyone who DM's him, even customers who have an active balance with him. Not only that, but he stole the Refunding Sauce channel from me to promote his label maker. I've heard from an anonymous source that he purchased Label Maker as a way to collect customer information. I advise everyone to stay away from him. I'll be making a separate channel and compiling every piece of information against him sometime this week.*

---

*Scammer alert đŸt Make sure yâ€™™all spam and report @TheRealBeachBoi Known to scam customers and in fact scammed a few people in this group always deal with caution and use MM services! âšŸi, Also stop going to other refunders we always will take care of yâ€™™all and we price match too but only if that refunder is in our league :D"*

---

*Spam that fucker and report him. Heâ€™™I get that telegram â€œSCAMâ€ tag if enough people report him.*

---

*Not saying they are scammers but 90% of refunders after you complete the form they disappear. And my case is critical and he knows about it*

---

*He scammed me bro, he took my identity*

---

*Do not buy accounts from @haven0fear, bois a scammer*

---

*SCAMMER : @errinogg Scammed me in \$250 will post his dox if he doesnt reply in 3 hours spam him y'all ~His new usernameâ€™™*

---

*dam my boy got scammed by a blvck dude*

---

**Some scamming also takes place through services offered to train people how to refund:**

*I deadass seen people send 1k to scammers to teach them how to scam*

---

For the service provider, they also have dilemmas. They take on the accounts of the client, but don't receive the payments, they have to rely on the client paying after. Second, they also have to worry whether the client is a company representative or law enforcement.

## Views on retailers and law enforcement

The discussions also offered insights on the community's view of enforcement by both the companies and the police. Generally, users who discussed this were negative about the effectiveness of both retailers and the police and thought if caught the penalties would be light.

### Company enforcement

Many of the refunders had very low opinions of the resilience of companies to prevent fraud, particularly the reps who deal with the claims:

*Bruh even if they paid me like 40\$ per hour I wouldn't take the time of my day to call the cops like wtf*

---

*literally who would take the time out their day to call the cops*

---

*Nobody cares*

---

*do u think a rep cares*

---

*Why would a driver even care? He got a bad rep that's it not enough for him to come to your door*

---

*Bruh the reps get paid \$8 an hour*

---

*Reps get paid \$15 an hour*

---

*Mostly indian reps*

---

*Exaggerate everything they don't care lol*

---

**Such was the ease of refunding one user posted:**

*Imagine paying for a PS5*

---

**There were also some classic neutralisations of their behaviour offered by the fraudsters.**

*Dude, its the most wealthy company in the world*

---

*They sell MILLION of iphones*

---

*Im not a criminal i just want to return my product*

---

*Every food service Gets raped*

---

*Scam someone who's charging 3k for a \$500 machine*

---

*PayPal doesn't give a fuck if it's 5 or 5000\$*

---

## Views on law enforcement

The refunder community does not consider it likely that law enforcement will take much interest in what they are doing. Some of the following extracts illustrate many just don't think the police or other enforcement would be interested:

---

*Fuck crack look at the dot fam kids are being shot all the time the police don't got the resources to look into a claim about a laptop that was not stolen by force or of his persons*

---

*We refunders are so many.. they can't put all of us in jail*

---

*juste to sue you is gonna cost them so much money*

---

*Why would the police show up lmaoo*

---

*But the TPS gonna bust down doors to arrest some 20yr old refunding*

---

*It's a free for all. A thieves world.*

---

**Even those who thought there was some interest, they did not consider the likely consequences harsh:**

---

*You do realize nobody goes to prison for this stuff. You get fined. Or a warning. You get community service and you get a slap on the wrist*

---

*I have 3 warnings with the cops and every tie they say it's ur last chance but they don't care til ur 18*

---

*They just escort you home the most embarrassing shit I swear*

---

*I got tossed in local police station jail cell for like 8 hours*

---

*Refunding is a less serious charge compared to robbery or other ways of getting money prison aint scare me but I don't want to go back really its hard to get money when no one will hire you*

---

*I've only heard of a few situations people got in legal trouble and the main one was 350k, using matches to commit LIT return*

---

**When there was some serious interest, there was often a sense of shock:**

---

*my boy got booked in vaughan*

---

*They would send police to the mans crib for 115k*

---

*Bro imagine going to jail for refunding*

---

**One joke encounter did illustrate the potential for disruption, when one of the refunders pretended to be a law enforcement officer. The whole discussion is presented here:**

---

*Good evening everyone, this is officer Edward Michl. This group is being investigated for illegal activity related to the act known as "refunding"*

---

*Show us ur badge*

---

*We will be taking down names and tracking down IP addresses. I would advise everyone not to delete data and cooperate with our investigation*

---

*Show us ur badge donut head*

---

*I'm not currently at liberty to reveal what department I am employed with.*

---

*Badge fake*

---

*And you look high bro*

---

*If that is what you want to believe that is okay with me.*

---

*I have been required to announce myself as an officer. But our fraud department as well as cyber crimes unit will be in direct contact with telegram to locate and record the Ip addresses associated with each account. As you know telegram keeps your IP address in their database and will be co-operating with our investigations.*

---

*I am not required to reveal my department until an arrest has been made. This is to make sure no attacks or attempts to find out personal information about myself are initiated.*

---

*Lmao who got scared*

---

*You guys ain't in trouble don't worry*

---

*Not yet at least*

---

*Man kick this goofy for even trying lmao*

---

**Some discussed how the laws of some jurisdictions made fraud easier to do and get away with.  
One commented:**

*Eu laws love fraud*

---

**It is also important to note there were a few posts that illustrated effective action against refund fraud does lead some refunders to take note:**

*I usually do DNA but this time I actually got a photo of it at my door and since they're stepping up their game I figured saying DNA is not smart lmao*

---

*Costco has one of the best fraud teams in all of retail. Tread carefully.*

---

*DO NOT DO FTID WITH CANADA POST*

---

*Canada goose is proolly patched*

---

*Refunding is Lowkey dead*

---

*But I was told Dyson direct is dead*

---

# Insiders

There are numerous opportunities for insiders to facilitate the above through agreeing to refunds, indicating goods have been returned or switching labels to name some. Couriers also have many opportunities to facilitate. In the initial sample extracted, there was very little reference to insiders. However, in the second sample, where posts with more references to insiders had been a criteria, there was more discussion of insiders. The first set of posts illustrate a thread exploring what insiders get paid and the consequences if they were to be caught:

---

*how much do UPS insiders get paid*

---

*Fr they do it till they get fired*

---

*they just get fired thats all?*

---

*But in the month they offer it or so they make 40 if not 50k plus*

---

*Ups indeed just fires them, they donâ€™t want to make a case about it as it will harm their reputation*

---

**Those offering refunding services often claim to have an insider as a competitive advantage, but this often is not believed as the following post demonstrates:**

---

*Neiman Marcus is DMG+RTS, don't believe those refunders claiming to have insider. We'll add DMG+RTS scans back on ftid.bz by the end of the day.*

---

**Some refunders, when they do have an insider, use it to market their services and secure more business as the example below from hasbullasrefundingchat illustrates:**

---

*WALMART INSIDER IS IN LOCK YOUR ORDERS THIS WILL NOT LAST!!!!!! ðŸ™;,*

---

*Walmart insider is now refunding orders intransit! fill the form now!!*

---

*"Another reminder! Walmart Insider (20%) and Paypal Claims (25%) are EXCLUDED from the 10% deal for November! Working on all orders with the team please stay around in case we need more info! Cheers ðŸ™;¾"*

---

**And they also reveal when the insider stops or is caught.**

---

*Yea insider dead*

---

**The posting of securing the services of an insider does provoke celebration and interest among the refunder community.**

---

*Walmart insider is like christmas for refunding*

---

*Yea so is there a insider right now? Because I see it advertised in a lot of channels, I just want to know before I spend 10k and would hope not to waste my time when I can do other stores*

---

*whatâ€™s Walmart insider rebills looking like*

---

*walmart insider doesnâ€™t work weekends right*

---

# Conclusion and recommendations

From the evidence of this research, refund fraud would seem to be a substantial problem for online retailers. Caught between wanting to offer a positive online shopping experience and protecting themselves from fraud and abuse, many retailers have created an opportunity-rich environment for the dishonest to exploit. This includes both organised elements offering this crime-as-a-service and opportunistic customers having a go and learning from an extensive community of 'experts' how to do it, and avoid getting caught. These findings offer yet further evidence of the declining standards of honesty in society (Shepherd et al, 2024). The evidence from this research leads to the following recommendations to address this problem.

During the writing this report, we became aware that two of the forums used in the perpetration of this type of fraud were taken down – nulled.io and cracked.io. Whilst this is an important first step in tackling refunder fraud, it is important to note that these takedowns are unlikely to deter these vendors, who are instead likely to move to other forums or simply wait until the forum comes back online under new ownership. As such, we propose the following further interventions as a means of deterring these offenders.

## 1. Creating a greater deterrence to becoming involved in online refund fraud:

Our data illustrates that refunders believe that they are 'untouchable' and that they often leak personally identifiable information. Notably, when arrests have been made, this has adversely impacted the morale within these communities. Some of the following should be pursued:

- Law enforcement and company enforcement and other relevant private sector partners should work together in conducting targeted blitzes of activity and publicising such activities.
- Successful detection and prosecution of prolific offenders should be publicised.
- Partners should disrupt the online forums by taking down clearly crime-orientated forums.
- Further disruption of online forums by infiltrating them with undercover police and security staff (conducted to appropriate ethical standards) should be pursued. This could be via occasionally revealing themselves to make users feel at risk. Further, this could include law enforcement and retail security staff deterring offenders by posting in the discussion groups to warn them that they are being observed. This serves not only to unnerve offenders, but it reiterates to them that they are engaging in is illegal.
- Further disruption could also take place via fake vendor profiles – a more radical approach might be for investigatory bodies to create fake vendor profiles and enter into transactions with prospective clients. Given that the clients need to handover their personal accounts with compromising information in, this should provide promising leads on the identities of individuals engaging in the services of these vendors. In addition, this action will also undermine the high-level of trust required by client and vendor for the transaction to be successful.
- Creating client accounts – retailers could set up customer accounts on their own system for the sole purpose of engaging with vendors, then not pay the vendor after the 'refund' has taken place. This would both serve to undermine the trust between vendors and clients and additionally provide useful intelligence on the vendors such as IP addresses used to access these accounts. Undertaking this activity would also allow the investigator to receive payment instructions from the vendor, which can then, in turn, be investigated by the relevant financial service provider.
- Fake negative reviews could also be given for vendors.
- All these disruption measures would need to be conducted with a clear, ethical and legal framework.

## **2. Creating an industry database of known online fraudsters**

A retail industry fraudster database, similar to the Cifas fraud databases (National Fraud and Insider Threat), should be created which tracks offenders. Where there is proof that could theoretically lead to a criminal prosecution, offenders could be placed on it for a period of time. This would not only help online retailers to prevent fraud, but act as a further deterrent if suitably advertised. There are also probably opportunities for AI to scrape data to generate leads for investigation which, with further meeting of evidential thresholds, could lead to placement on database. It would be important to work with stakeholders to develop suitable guidelines for the use of AI and the evidential thresholds.

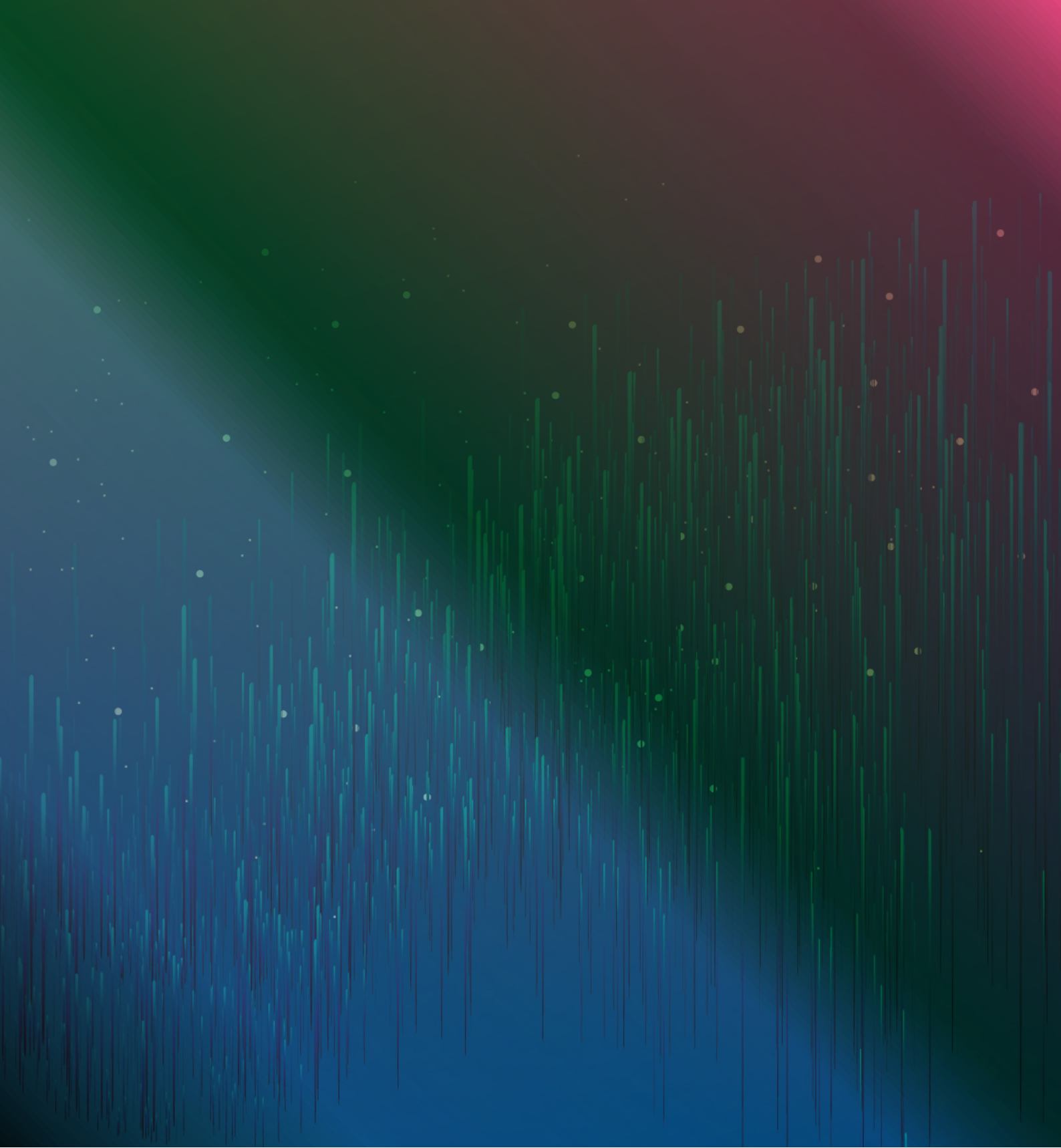
## **3. Promote further awareness campaigns on refund fraud**

Given that our findings indicate a high likelihood of juvenile involvement, this could align with other campaigns such as those directed at preventing money mules. A possible opportunity here lies in dispelling the myth that refunder fraud is not societally harmful and a victimless crime whereby the losses are simply absorbed by 'big, faceless corporations'. Additionally, campaigns warning young people about the dangers of getting involved in refund fraud could take place in schools to deter would-be offenders.

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